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II-E

Director of Training

9 February 1960

Chief, Management Training Faculty

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Conversations with Professor [REDACTED]

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1. As requested by you and Col. White, I visited [REDACTED] on 28 January at Sea Island, Georgia, where he was conducting an advanced management program under the auspices of [REDACTED]. Our discussion, aimed at ascertaining the availability and willingness of [REDACTED] to assist us in putting on a management course for top-level personnel in the DD/E component, resulted in an estimate by [REDACTED] of \$5,000 plus expenses for a two weeks' course conducted by him. This figure was more than Col. White, you, and I thought reasonable; so, at your direction, I phoned the professor on 3 February and informed him that we did not wish to spend that amount of money at this time; that we greatly appreciated his help, and so forth.

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2. The details of [REDACTED] proposal are included here in the hope that they will assist us in evaluating other possible approaches to our objective.

a. Class size: 30 - 50 students are preferred although a class of 20 - 30 is acceptable if a goodly number (up to half) are "outsiders"; that is, persons who are not employees of the company or unit for whom the course is given—customers or suppliers, for example.

b. Duration: The preference is for two consecutive weeks of class (10 working days at a minimum). An acceptable alternate would be 9 - 10 consecutive days followed by 4 or 5 more after an interval of three or four months. Other combinations are obviously possible but are not recommended. The actual time spent in class would probably be from about 4½ - 6 hours per day. Because of required reading and preparation for classes, another four hours or so daily would probably be spent directly on course work by most participants.

Method: The case method, as at Harvard Business School, would be used exclusively in the classroom and all sessions would be conducted by [REDACTED]. The cases to be used would be selected by the professor from among those in Harvard's "library". We would have to pay Harvard for these cases. The students would have

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three cases per day on the average. [redacted] claims that it will take about 20 cases to "tear down" all misunderstandings about the nature of administration (management) and about 10 more to build a workable frame of reference which a professional administrator can use to good advantage.

Content and Results: As usual in this field of endeavor, no guarantee of any specific, measurable "take" is possible. However, persons enrolled in a course of this nature have plenty of opportunity to examine and test the validity of their own assumptions, preconceptions and values against those of other participants and against the theoretical background provided by the readings. An understanding of the "nature of administration" and the role of the administrator should be forthcoming as a result of attention given to the usual subjects, leadership, authority, organization, and so forth.

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Additional comments: A location away from both work and home is best for this kind of course according to [redacted] (and others') experience. In addition, the professor is sure that the course should be given by an "outsider", not by an organization's regular trainers. There are very few advantages to an "inside" program and these are outweighed by the advantages of using an outside specialist. Our particular problems, as explained — none too specifically — by me are quite intriguing to [redacted] not, however, intriguing enough to cause him to lose his business sense.

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Cost: Five thousand dollars plus expenses would be [redacted] fee. This, he claims, is about the going rate for a senior professor from the Harvard Business School. There is a slightly lower "scale" (unspecified) for associate and assistant professors and [redacted] feels we could undoubtedly get the job done for less by some private consulting firms, but he wouldn't care to recommend any. [redacted] claims that he was paid at the \$5,000 rate for a course he put on for the Navy at China Lake, California; that he intends to charge the Industrial Research Institute \$10,000 for a future program (because it is so difficult to "get across" to scientists); that he is receiving \$1,000 per week plus expenses for six weeks at Sea Island for 1 1/2 - 2 hours of classroom work per day.

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Availability: [redacted] schedule is usually firmly set for about a year ahead. At present he has available the last two weeks in March and two weeks at some time next fall. He would seriously consider making the July dates available to us by

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turning down the Industrial Research Institute, but only if our program were to be a recurring one over a period of a few years.

3. At this point in our quest for a special course, I would like to recommend the followings:

a. Assuming our objectives and potential clientele remain unchanged, establish a rough dollar amount (or range) which represents what we are willing to spend for outside assistance (see attachment for an example of what one company got for less than \$10,000).

b. Begin correspondence with people we know in several universities such as Pittsburg, Chicago, American, and with prominent practitioners and students of administration such as Professor Flarity, Professor Argyris, Peter Drucker, et al, and see what they have to suggest -- including cost estimates, if possible.

c. Send someone to Philadelphia to talk with Mr. Ryerson (see attachment), unless he, too, has an exorbitant fee for consultation, and dig out the details which are missing from the attached article.

d. Keep the July date as a tentative target but be willing to settle for something next fall or even a year from now if that will help us get the people we want and the content we need.

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Attachment: Article, "Teaching Leadership to Scientists" from 1 February 1960 issue of Chemical and Engineering News.

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